EXHIBIT 4

Bloomberg

UBS, Barclays Can't `Wash Hands' of Subprime, CreditSights Says

By John Glover - Jul 05, 2007

July 5 (Bloomberg) -- UBS AG, Barclays Plc and other European lenders may not be able to ``wash their hands'' of the special firms they set up to issue U.S. mortgage-backed bonds and collateralized debt obligations, CreditSights Inc. said.

European institutions may support the so-called special- purpose entities, even though they were designed to have no recourse to the banks in the event of losses, such as those stemming from the slump in the subprime market, analyst Simon Adamson in London said.

Bear Stearns Cos. in New York is providing a $1.6 billion bailout for one of its hedge funds, which was set up as a separate company from the world's fifth-biggest securities firm. Banks and asset managers in Europe sold 58.8 billion euros ($79.9 billion) of CDOs this year, 104 percent more than the same period a year ago, according to data compiled by Deutsche Bank AG.

``Bear Stearns is indicative of the way the collapse of these kinds of funds can affect the attitude of the banks toward them,'' Adamson said yesterday in an interview. ``There is a potential liability that might not seem obvious.''

Deutsche Bank in Frankfurt, Barclays, BNP Paribas SA and Royal Bank of Scotland Group Plc ``almost unbelievably'' don't mention CDOs in their annual reports, Adamson said.

CDOs package bonds, loans or credit-default swaps and use their income to pay investors.

European banks haven't published enough information about their involvement in the U.S. subprime market to make informed estimates of potential losses, he said.

Barclays spokesman Will Bowen in London said that fund losses from subprime mortgages are ``not expected to be material,'' repeating a statement made June 22. Deutsche Bank and UBS spokeswomen declined to comment. BNP Paribas and Royal Bank didn't immediately respond to calls and e-mails seeking comment.

`Hefty Provisions'

As well as supporting the special-purpose entities, banks are likely to have bought the equity portion of the CDOs they create, Adamson said. CDOs are divided into different portions of varying risk and returns, with the riskiest and highest-yielding part known as the equity tranche.

The share of subprime mortgages entering default in the first quarter was the highest in almost five years, according to the U.S. Mortgage Bankers Association.

Some lenders face risks as providers of the mortgages, Adamson said in the report, which was co-written by John Raymond.

HSBC Holdings Plc may be forced to set aside further ``hefty provisions'' this year for bad loans at its U.S. subprime mortgage business HSBC Finance. The London-based bank increased the amount to cover last year's bad loans to $10.56 billion, 20 percent more than analysts had estimated.

HSBC spokesman Neil Brazil in London declined to comment, citing the imminent publication of the bank's financial results.

European lenders including Edinburgh-based Royal Bank, ABN Amro Holding NV in Amsterdam and BNP Paribas in Paris also have U.S. consumer businesses, though these aren't involved with the subprime part of the market, according to the report.